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UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

MEMORANDUM:

DATE: January 5, 1983

SUBJECT: Accumulations of Emissions

FROM: Chief, Regulations Analysis Section
Stationary Source Compliance Division

TO: Michael Johnston, Chief,
Air Operations Section, Region X, M-3202

This is in response to your memo dated December 21, 1982, concerning the application of the PSD regulations to accumulated emission increases. Accumulated emission increases are those increases occurring at major stationary sources which are not individually significant but when totalled over a period of time do exceed the significance levels.

As your memo correctly points out, this office did send out a memorandum on January 22, 1981 which interpreted the PSD regulations so as to exclude any modification from applicability that did not in and of itself result in a significant emission increase. Thus, this would have the effect of eliminating from consideration those changes which occurred over time and whose emissions when reviewed as distinct entities are not significant, but when combined would satisfy the criteria for a significant emissions increase.

While it is true that the preamble language that you cite might be a clear indication that the Agency intended to accumulate these do minimus changes at a stationary source, there was nothing in the regulations themselves which clearly indicated that this was in fact the case. In fact, that very language you cite could also refer to the requirements for looking at contemporaneous emission increases and decreases when reviewing PSD applicability. Only after much discussion among members of the Control Programs Development Division and the Office of General Counsel was it decided to interpret the regulatory language in the manner in which we did. The policy considerations which went into that decision were

that (1) the permitting requirements and the resources they entail both on the part of the Agency and industry should not be directed towards these "small" changes and (2) applying BACT to the last piece which triggered the review could prove to be a rather wasteful exercise. (It was agreed to early in the deliberations that under no circumstance would EPA require retroactive application of BACT to the earlier changes.) It was also felt that it was unreasonable for a source such as a refinery to have to keep records of these de minimus emission increases with the sole purpose of possibly applying the PSD requirements sometime in the future. This would mean that another de minimus change, for little environmental gain, would have to apply BACT to this latest piece of the accumulation puzzle.

At the same time this decision was being made to exclude accumulation from consideration, it was noted that we were maintaining the goals of the program by recognizing that although these de minimus increases were not reviewable, they did consume increment and they would be included when considering contemporaneous emission increases and decreases.

It is also important to note that at the time this interpretation was

made we recognized that the regulation was not clear and that a conforming amendment to the regulations would be made. By copy of this memo I am urging the Control Program Development Division to initiate this rulemaking if they haven't already done so. I would hope that such a change could be published shortly.

If I can be of any further assistance or if you wish to discuss this further, please give me a call at 382-2831.

Richard Biondi

cc: Mike Trutna
Peter Wyckoff

EN-341:R. Biondi:kw:Draft 12-30-82:382-2831
Final:1/4/82:amd
Disk:RPS#2:Accumulations of Emissions

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

DATE: DEC 21 1982

SUBJECT: Accumulations of Emissions

FROM: Michael Johnston, Chief
Air Operations Section, M/S 532

TO: Richard Biondi,
Stationary Source Compliance Division, M-3202

Texaco requested that EPA issue a PSD applicability determination to construct a delayed coking unit at their Anacortes, Washington facility. In a letter dated November 11, 1982, the Company contends that PSD is triggered only if the net emission increase from a specific project alone exceeds the threshold levels. The Company indicated that the source of their information was EPA headquarters staff. We contacted Janet Farella who agreed with the Company's position and informed us that accumulated emissions will not be taken into account unless a modification itself triggers PSD. Janet sent us a copy of a January 22, 1981 memo (Reich to Whitmore) to substantiate this position.

The guidance document offered by Janet appears to be inconsistent with the preamble to the PSD regulations:

> "a series of individual de minimus changes at a stationary source would be accumulated within a contemporaneous time frame to see if a review would be required."

A source, particularly a complex one such as a petroleum refinery or pulp mill could make a series of de minimus changes without becoming subject to PSD if emissions did not accumulate for PSD applicability purposes. Because such sources are capable of making phased approach modifications, the sum of which could deteriorate air quality significantly, the accumulation of minor modifications should at least trigger a review, the result of which would be an accounting of emissions and their impacts. The practicality of planning phased modifications for purposes of avoiding PSD review is probably very limited. However, we have seen instances where review occurred on projects to be completed in increments that might have been avoided if emissions did not accumulate.

Definite guidance is needed on the subject of accumulation of emissions for purposes of PSD applicability.